

# **LINE ITEM AND BOILERPLATE SUMMARY**

## **CAREER DEVELOPMENT AND MICHIGAN STRATEGIC FUND**

**Fiscal Year 2002-03  
Public Act 517 of 2002  
House Bill 5643**

**As Enacted**

**Prepared and Compiled by:**

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**Mitchell E. Bean, Director**

**December 2002**

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December 2002

To: Members of the House of Representatives

We have prepared a Line Item Summary for each of the FY 2002-03 appropriation acts. Each Summary contains line-by-line detail, including the amount and purpose of each appropriation line and information regarding related boilerplate sections, for a specific appropriation act. Following the line item detail, we have included a section that provides a brief explanation of each boilerplate section in the appropriations bill. Please note that ~~strikeouts~~ in this report show the effects of vetoes.

This Line Item Summary explains line items in the *enacted* Career Development and Michigan Strategic Fund Appropriations Bill, Public Act 517 of 2002. This report was prepared by Bob Schneider, Fiscal Analyst, with assistance from Barb Graves, Budget Assistant.

If you would like to obtain a Line Item Summary for a particular budget area, please contact Jeanne Dee, Administrative Assistant, at 373-8080.

Mitchell E. Bean, Director



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# **GLOSSARY**

## **Frequently-Used State Budget Terms**

### **Adjusted Gross**

Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs)

### **Boilerplate**

Specific language sections contained in an appropriations act which direct, limit or restrict line item expenditures, and/or require reports

### **Budget Stabilization Fund (BSF)**

The countercyclical economic and budget stabilization fund—also known as the "rainy day" fund

### **Federal Revenues**

Federal grant or matchable revenues dedicated to specific programs

### **General Fund/General Purpose (GF/GP)**

The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues

### **Gross Appropriations (Gross)**

The total of all applicable line item spending authorizations

### **Interdepartmental Grant (IDG)**

Revenue or funds received by one state department from another state department (usually for a service the receiving department provides)

### **Intradepartmental Transfer (IDT)**

Transfers or funds being provided from one appropriation unit to another in the same department

### **Lapses**

Unspent/unobligated funds remaining in line item accounts at the end of the fiscal year

### **Line Items**

Specific funding amount in an appropriations bill which establishes spending authorization for a particular program or function (may be for a single purpose or for multiple purposes)

### **Local Revenue**

Revenues from local units of government

### **State Restricted (Restricted Funds)**

State revenue dedicated to a specific fund; revenue which results from state mandates or initiatives; used for used for specific programs pursuant to the Constitution or statute

### **Private Funds**

Revenues from non-government entities such as rents, royalties or interest payments, payments from hospitals, payments from individuals, and gifts and bequests

### **School Aid Fund (SAF)**

The primary funding source for K-12 schools and Intermediate School Districts (ISDs)

### **Work Project**

An account established to allow for certain specific unspent funds to be carried over from one fiscal year to a succeeding fiscal year or years





## CAREER DEVELOPMENT AND MICHIGAN STRATEGIC FUND

*An act to make appropriations for the Department of Career Development and the Michigan Strategic Fund and certain other state purposes for the fiscal year ending September 30, 2003.*

Full-time equated classified positions	1,320.5	Full-time equated (FTE) positions in the state classified service.
Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Total full-time equated positions	1,326.5	Total number of all full-time equated positions (includes classified and unclassified). <i>Note: based on 2,088 hours for 1.0 FTE position</i>
<b>GROSS APPROPRIATION</b>	<b>\$606,003,100</b>	<b>Total of all line item appropriations.</b>
Total interdepartmental grants and intradepartmental transfers	100,900	Total of all grants to other departments and transfer of funds.
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$605,902,200</b>	<b>Total <i>net</i> of all line item appropriations.</b>
Total federal revenues	469,422,500	Total federal grant or matchable revenues.
Total local revenues	15,011,900	Total revenues from local units of government.
Total private revenues	3,249,400	Total private grant revenues.
Total other state restricted revenues	54,711,500	Total revenue dedicated to a specific fund resulting from state mandates or initiatives.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$64,506,900</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 102: DEPARTMENT OF CAREER DEVELOPMENT

*The Department of Career Development (DCD) was established by Executive Order (EO) 1999-1, which split the former Department of Michigan Jobs Commission into DCD and the Michigan Strategic Fund Agency. The Department's responsibilities focus on workforce development—assisting workers in obtaining jobs and assisting businesses in obtaining skilled workers for available jobs.*

*To this end, the Department administers various employment training-related programs, including federal employment training programs for displaced workers, adults, and youth; the Work First and Welfare-to-Work programs, which seek to move welfare recipients into the workplace; Michigan Rehabilitation Services, which provides employment-related services to disabled individuals and their employers; and the Employment Services Agency, which is responsible for assisting unemployed individuals in obtaining jobs. Most of the Department's services can be accessed through local Michigan Works! Service Centers which have been developed as part of the state's initiative to provide one-stop service for individuals needing assistance in several of its areas of responsibility.*

*Finally, the Department also administers the state's Career Preparation, Career and Technical Education, Adult Education, and Postsecondary Education programs. The programs were transferred to the DCD from the Department of Education through Executive Order 1999-12.*

Full-time equated classified positions	1,089.0	Full-time equated (FTE) positions in the state classified service.
Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Total full-time equated positions	1,095.0	Total number of all full-time equated positions (includes classified and unclassified). <i>Note: based on 2,088 hours for 1.0 FTE position</i>
<b>GROSS APPROPRIATION</b>	<b>\$459,846,600</b>	<b>Total of all line item appropriations.</b>
Total interdepartmental grants and intradepartmental transfers	0	Total of all grants to other departments and transfer of funds.
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$459,846,600</b>	<b>Total net of all line item appropriations.</b>
Total federal revenues	406,469,200	Total federal grant or matchable revenues.
Total local revenues	15,011,900	Total revenues from local units of government.
Total private revenues	2,396,300	Total private grant revenues.
Total other state restricted revenues	8,661,500	Total revenue dedicated to a specific fund resulting from state mandates or initiatives.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$27,307,700</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 102(2): DEPARTMENTAL ADMINISTRATION

*This appropriation unit provides for the salaries of the Department's upper management, which has the responsibility for ultimate decision making, administrative/policy direction, and leadership to ensure implementation of the Department's programs.*

Total full-time equated positions	6.0	Full-time equated (FTE) positions (includes classified and unclassified) for Department administration.
Full-time equated unclassified positions	6.0	FTE positions authorized; the Governor appoints the Director and the Director appoints the other 5.0 FTE positions.
Full-time equated classified positions	0.0	FTE positions in the state classified service.
Unclassified salaries	506,800	Supports salaries for the Department's six unclassified positions. Funding Source(s): GF/GP 506,800 <i>Related Boilerplate Section(s): 202, 205</i>
<b>GROSS APPROPRIATION</b>	<b>\$496,900</b>	<b>Total of all line item appropriations.</b>
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$496,900</b>	<b>Total <i>net</i> of all line item appropriations.</b>
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$496,900</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 102(3): DEPARTMENT OPERATIONS

*This appropriations unit provides all facets of support services to the Department, including budgeting and accounting, information systems, human resources, grant and contract management, procurement, facilities, and other central Department services.*

Full-time equated classified positions	60.0	Full-time equated (FTE) positions in the state classified service.
Administrative services - 60.0 FTE positions	7,054,200	<p>Program provides a variety of central services for the Department's operations including accounting and financial services, human resources, grant and contracts management, purchasing, budgeting, and information technology; also supports the Department's internal auditor, equal employment opportunity/affirmative action officer, and Executive Office staff.</p> <p style="text-align: right;">Funding Source(s):    Federal    4,495,900  Restricted    436,100  GF/GP    2,122,200</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 202, 205, 209, 211</i></p>
Building occupancy charges - property development services	923,400	<p>Payment toward Department lease obligations for state-owned facilities and privately-owned facilities leased through the Department of Management and Budget.</p> <p style="text-align: right;">Funding Source(s):    Federal    738,700  GF/GP    184,700</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 202</i></p>
Special project advances	200,000	<p>Consolidates special project advances into one account. For every expenditure recorded in this account, there will be matching private revenue to offset the expense. As an example, the line would be used for expenditures involved in conducting a Department-sponsored conference that is to be financed through registration fees.</p> <p style="text-align: right;">Funding Source(s):    Private    200,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 202, 209, 211</i></p>
Worker's compensation	217,800	<p>Pays premiums to satisfy the Department's worker's compensation insurance premium for claims and reserve requirements.</p> <p style="text-align: right;">Funding Source(s):    Federal    137,300  GF/GP    80,500</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 202</i></p>
<b>GROSS APPROPRIATION</b>	<b>\$8,395,400</b>	<b>Total of all line item appropriations.</b>
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$8,395,400</b>	<b>Total net of all line item appropriations.</b>
Total federal revenues	5,321,000	Total federal grant or matchable revenues.

Total private revenues	200,000	Total private grant revenues.
Total other state restricted revenues	436,100	Total revenue dedicated to a specific fund resulting from state mandates or initiatives.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$2,438,300</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 102(4): WORKFORCE DEVELOPMENT

*This appropriations unit contains line items supporting the state-level administration of those programs that prepare Michigan workers for employment opportunities, including all federal job training and School-to-Work programs, Michigan Rehabilitation Services (employment assistance for disabled individuals), and the Work First/Welfare-to-Work program.*

Full-time equated classified positions	659.0	Full-time equated (FTE) positions in the state classified service.															
Employment training services - 566.0 FTE positions	70,836,500	<p>Provides funding for the following offices and units:</p> <p><u>Office of Workforce Development</u>: Administers federal and state workforce development programs, including federal job training programs under the Workforce Investment Act (WIA) and the Work First and Welfare-to-Work programs. Office is involved in providing program policy and guidance to regional workforce development boards involved in local administration of these programs. Office also provides monitoring and oversight of the programs.</p> <p><u>Michigan Rehabilitation Services (MRS)</u>: Administers federal and state funding to assist disabled individuals in achieving employment and self-sufficiency. This includes youth transition services and business services, independent living services, personal care attendant and supported employment grants, and grants and information support for assistive technologies. These services can be accessed through district offices across the state.</p> <p><u>Michigan Community Service Commission (MCSC)</u>: Provides funding for administration of the commission which promotes and coordinates service and volunteerism efforts in Michigan. Areas of operation include: Outreach and Fund Development (special event, fund-raising, public relations), Programming (administration of MCSC programs), and Finance and Administration.</p> <table> <tr> <td>Funding Source(s):</td><td>Federal</td><td>58,111,900</td></tr> <tr> <td></td><td>Local</td><td>2,733,800</td></tr> <tr> <td></td><td>Private</td><td>780,300</td></tr> <tr> <td></td><td>Restricted</td><td>1,297,400</td></tr> <tr> <td></td><td>GF/GP</td><td>7,913,100</td></tr> </table>	Funding Source(s):	Federal	58,111,900		Local	2,733,800		Private	780,300		Restricted	1,297,400		GF/GP	7,913,100
Funding Source(s):	Federal	58,111,900															
	Local	2,733,800															
	Private	780,300															
	Restricted	1,297,400															
	GF/GP	7,913,100															

*Related Boilerplate Section(s): 202, 205, 209, 211, 302*

Michigan career and technical institute - 93.0 FTE positions	10,993,600	Provides on-campus, specialized vocational training and comprehensive rehabilitation services to help citizens with disabilities prepare for employment and self-sufficiency via a wide range of rehabilitation and training services. These services include selective job placement, frequent contacts with the industrial community, individualized work accommodations, pre-training services, rehabilitation support programs, training on high-tech equipment, residential accommodations, and personal work adjustment services for up to 450 students at any given time.
		Funding Source(s):
		Federal 8,152,800
		Local 513,300
		Private 616,000
		Restricted 564,300
		GF/GP 1,147,200

*Related Boilerplate Section(s): 202, 205, 209, 211, 301*

<b>GROSS APPROPRIATION</b>	<b>\$00</b>	<b>Total of all line item appropriations.</b>
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Total interdepartmental grants and intradepartmental transfers	32,400	Total amount of all grants to other departments and transfer of funds.
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<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$81,830,100</b>	<b>Total <i>net</i> of all line item appropriations.</b>
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Total federal revenues	66,264,700	Total federal grant or matchable revenues.
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Total local revenues	3,247,100	Total revenues from local units of government.
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Total private revenues	1,396,300	Total private grant revenues.
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Total other state restricted revenues	1,861,700	Total revenue dedicated to a specific fund resulting from state mandates or initiatives.
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<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$9,060,300</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>
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## SECTION 102(5): CAREER EDUCATION PROGRAMS

*The Career Education Programs unit provides funding for various new programs transferred from the Department of Education through Executive Order 1999-12.*

Full-time equated classified positions	72.0	Full-time equated (FTE) positions in the state classified service.
Career and technical education - 32.0 FTE positions	3,494,300	<p>Staff provide technical assistance and oversee all vocational and technical programs at public high schools and area center programs in cooperation with community colleges. Also responsible for developing and implementing programs in Technology Education, Tech Prep, integrated academics, employability skills, and career development and counseling. Oversees federal grant funding for vocational education, and administers state grant funding for the Career Preparation system.</p> <p style="text-align: right;">Funding Source(s):      Federal      2,804,400 GF/GP      689,900</p>

*Related Boilerplate Section(s): 202, 205, 209, 211*

Postsecondary education - 23.0 FTE positions	2,490,300	<p>Division is composed of the following units:  <u>Community Colleges Services:</u> Assists the State Board of Education in supervising the state's 28 public community colleges. This includes collecting and reporting student, program, and financial data to comply with state and federal reporting requirements. Unit also administers special state and federal grants to support technical assistance, professional and curriculum development, and access for special populations.  <u>King-Chavez-Parks Initiative:</u> Involves six specific grant programs aimed at achieving graduation rates that are reflective of the share of the state's population for students who have traditionally been under-represented minorities in Michigan's higher education system.  <u>Proprietary Schools:</u> Staff are involved in licensing over 250 in-state and out-of-state proprietary schools, reviewing applications for the opening of new schools, resolving complaints against proprietary schools, and assisting students affected by school closures to complete their programs and/or obtain transcripts.  <u>Veterans Education:</u> Under contract with the U.S. Department of Veterans Affairs, staff monitor, certify, and approve education and training programs in Michigan to be utilized by veterans. On-site visits are made annually to each institution.  <u>Educational Corporations:</u> Monitors non-public educational institutions, approves degree program changes, and opens new facilities.</p> <p style="text-align: right;">Funding Source(s):      Federal      1,332,400 Restricted      478,900 GF/GP      679,000</p>
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*Related Boilerplate Section(s): 202, 205, 209, 211, 315, 316, 317, 318, 321*



Adult education - 15.0 FTE positions	2,180,000	Division is responsible for administration of various state and federal grant programs which aim to promote effective instructional programs and education opportunities for adults. This includes federal and state adult education, English as a Second Language, and GED Preparation programs that target individuals who are 16 years of age or older, have not graduated from and are not enrolled in high school, and who lack the basic educational skills necessary to function in society. The unit administers grants to eligible instruction providers to support instruction costs (staff and materials), guidance and counseling activities, planning and evaluation costs, professional development, and, in some cases, support services. Staff also provide leadership and technical assistance to these programs.
		Funding Source(s):      Federal      1,971,600 GF/GP      208,400

*Related Boilerplate Section(s): 202, 205, 209, 211, 319*

Commission on Spanish speaking affairs - 2.0 FTE positions	220,500	Commission was created by 1975 PA 164 to develop policies to assist Michigan's Spanish-speaking citizens in areas such as education, employment, civil rights, health, and housing. The Commission consists of fifteen members, who are appointed by the Governor with the advice and consent of the Senate. Commission was transferred by Executive Order to the DCD in May 1999.
		Funding Source(s):      GF/GP      220,500

*Related Boilerplate Section(s): 202, 205, 209, 211*

<b>GROSS APPROPRIATION</b>	<b>\$8,385,100</b>	<b>Total of all line item appropriations.</b>
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<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$8,385,100</b>	<b>Total net of all line item appropriations.</b>
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Total federal revenues	6,108,400	Total federal grant or matchable revenues.
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Total other state restricted revenues	478,900	Total revenue dedicated to a specific fund resulting from state mandates or initiatives.
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<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$1,797,800</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>
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## SECTION 102(6): DEPARTMENT GRANTS

*This appropriations unit groups together all grants administered through the Department of Career Development.*

Council of Michigan foundations	<del>3,000,000</del>	Appropriation of tobacco settlement revenue to be distributed to the Council of Michigan Foundations to support local initiatives related to youth and senior health issues.
	4,000,000	Boilerplate language provides that funding be re-granted to local community foundations across the state by a formula determined by the Council.

Funding Source(s):    Restricted    4,000,000

*\$1,000,000 is restored due to cigarette tax increase  
Related Boilerplate Section(s): 202, 209, 262, 313*

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Adult basic education	13,500,000	Federal funding available for instructional programs targeting individuals who are 16 years of age or older, have not graduated from and are not enrolled in high school, and who lack the basic educational skills necessary to function in society (below the 9th grade level in reading, English, and/or math).
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Funding Source(s):    Federal    13,500,000

*Related Boilerplate Section(s): 202, 209, 319*

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Job training programs subgrantees	98,802,700	Supports the following federal job training programs: <u>Adult and Youth Grants</u> : Grant support to regional workforce development boards (WDBs) for the economically disadvantaged. <u>Summer Youth Employment</u> : Support to WDBs for summer job training/job skills programs for economically disadvantaged youth. <u>Older Worker</u> : Grants and support to WDBs for eligible older workers. <u>Dislocated Worker</u> : Support to the WDBs for workers affected by plant closings.
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Funding Source(s):    Federal    98,602,70  
                                 GF/GP    200,000

*Related Boilerplate Section(s): 202, 209, 307, 326*

Michigan community service commission (MCSC) subgrantees	6,757,200	<p>Commission is the state's lead agency for initiatives administered under the federal National Service Trust Act of 1994. Support comes from three primary sources: federal funding through the Corporation for National Service, state funding, and private foundation funding. The MCSC encourages volunteerism to expand and strengthen existing community service programs and initiate new community programs across the state. Programs include Michigan's AmeriCorps, Learn and SERVE Michigan, and Michigan's Promise. Also supports grants to volunteerism organizations through GF/GP-financed Volunteer Investment Grants.</p> <p>Funding Source(s):      Federal    5,500,000  Private    400,000  GF/GP    857,300</p>
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*Related Boilerplate Section(s): 202, 209, 312*

Supported employment grants	1,441,300	<p>Support for grants to assist individuals with severe disabilities to obtain and maintain community-integrated employment through the use of personal job coaches and other on-the-job support. This federal program is administered by Michigan Rehabilitation Services.</p> <p>Funding Source(s):      Federal    1,441,300</p>
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*Related Boilerplate Section(s): 202, 209*

Technology assistance grants	1,378,700	<p>Federal grant funding used to facilitate the state's TECH 2000 program which aims to develop the capacity of local communities to provide access to assistive technology devices necessary for the employment, training, and independence of people with disabilities in Michigan. Funding is provided to Community Assistive Technology Councils throughout the state.</p> <p>Funding Source(s):      Federal    1,378,700</p>
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*Related Boilerplate Section(s): 202, 209*

Carl D. Perkins grants	42,500,000	<p>Authorized under the Carl D. Perkins Vocational Education and Applied Technology Act, these grants (and the required state match) are distributed to local school districts to finance curriculum design, teacher training, technology, and other materials necessary to conduct vocational education programs. This includes funding for Tech Prep consortia around the state to assist in developing linkages between technical programs in high schools and community colleges (e.g., earn college credit in high school to be applied toward a community college technical program). Federal funds are also utilized by Department staff to administer the program, including data collection and evaluation activities.</p> <p>Funding Source(s):      Federal    42,500,000</p>
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*Related Boilerplate Section(s): 202, 209*

Vocational rehabilitation client services/facilities	51,339,200	Grants, primarily funded by the federal government, are provided to local community rehabilitation programs to expand and improve vocational rehabilitation and independent living services for people with disabilities. These grants promote integration and competitive employment of individuals with disabilities. They result from cooperative efforts between the local Michigan Rehabilitation Services district offices and their community partners.
Funding Source(s):		
	Federal	40,820,800
	Local	7,715,700
	Private	300,000
	Restricted	1,000,000
	GF/GP	1,502,700

*Related Boilerplate Section(s): 202, 209, 303*

Vocational rehabilitation independent living	3,190,700	Program, administered by Michigan Rehabilitation Services, provides grants to the state's 12 centers for independent living (CILs). Grants focus on the core independent living services of peer support, independent living skills training, advocacy, and information and referral. The goal of the program is to reduce dependence and promote personal control for individuals with disabilities. Grant awards are consistent with the State Plan for Independent Living developed jointly by the Statewide Independent Living Council, Michigan Rehabilitation Services, and the Michigan Commission for the Blind.
Funding Source(s):		
	Federal	870,200
	Private	100,000
	GF/GP	2,283,800

*Related Boilerplate Section(s): 202, 209, 304*

Personal assistance services	462,000	Program enables individuals with severe disabilities who work more than half time to pay for the personal assistance they need in order to work. Grants are awarded to two CILs which administer the program statewide. Individuals with disabilities meet five criteria for this reimbursement program: 1) is employed or has a bona fide offer of employment, 2) has a disability and needs personal assistance services, 3) meets the income test, 4) does not exceed the resources/assets limits, and 5) employs and manages one or more personal assistants.
Funding Source(s):		
	GF/GP	462,000

*Related Boilerplate Section(s): 202, 209*

Welfare-to-work programs	72,898,600	<p>Program is designed to enhance employability of public assistance recipients and applicants receiving Temporary Assistance for Needy Families (TANF) support as well as other forms of non-cash public assistance. The goal of the program is to assist these individuals in finding unsubsidized employment.</p> <p>Program participants, referred by the Family Independence Agency (FIA), are eligible to receive support for a range of job search and job readiness services and supportive services (e.g., transportation, work clothing, pre-employment physicals). Participants are also eligible for child care and transitional Medicaid provided through the FIA. Program also offers educational and training opportunities for those needing such support to obtain employment.</p> <p>Program is administered locally by area Workforce Development Boards which are responsible for developing and administering all workforce development programs within their geographic regions.</p> <p>Funding Source(s):      Federal      65,399,000 GF/GP      7,499,600</p> <p><i>Related Boilerplate Section(s): 202, 209, 305, 306, 307</i></p>
Pre-college programs in engineering and the sciences	940,200	<p>Supports the Detroit Area Pre-College Engineering Program, Inc. (DAPCEP) and the Grand Rapids Area Precollege Engineering Program. Programs are designed to strengthen and expand academic skills by exposing students to practitioners in science and engineering.</p> <p>Funding Source(s):      GF/GP      940,200</p> <p><i>Related Boilerplate Section(s): 202, 209, 309</i></p>
Focus:HOPE	<del>5,744,300</del> 5,994,700	<p>Provides GF/GP revenue to the non-profit Focus:HOPE to support its vocational training programs.</p> <p>Funding Source(s):      Federal      5,000,000 GF/GP      744,300</p> <p><i>\$250,000 is restored due to cigarette tax increase</i> <i>Related Boilerplate Section(s): 202, 209, 262, 329</i></p>
Adult education learning grants	0 225,000	<p>Support adult education programs administered by the Arab Chaldean Council, the Arab Community Center for Economic and Social Services, and Jewish Vocational Services. Funding is allocated to individual organizations in boilerplate.</p> <p>Funding Source(s):      GF/GP      225,000</p> <p><i>\$225,000 is restored due to cigarette tax increase</i> <i>Related Boilerplate Section(s): 202, 209, 262</i></p>
Gear-up program grants	3,000,000	<p>Program aims to increase the number of low-income students who attend college. Provides at-risk youth in grades 7 – 12 with tutoring, mentoring, and academic enrichment opportunities to enhance preparedness for college work. Also seeks to enhance college scholarship availability for participants. Funding comes from a five-year, \$11.9 million grant from the U.S. Department of Education.</p> <p>Funding Source(s):      Federal      3,000,000</p> <p><i>Related Boilerplate Section(s): 202, 209</i></p>

Michigan virtual university	1,000,000	Grants to the Michigan Virtual University (MVU) from federal Workforce Investment Act funding. Grant supports MVU's distance learning initiatives.
		Funding Source(s): Federal 1,000,000
<i>Related Boilerplate Section(s): 202, 209, 328</i>		
<b>GROSS APPROPRIATION</b>	<b><del>\$305,955,000</del> \$307,430,000</b>	<b>Total of all line item appropriations.</b>
Total interdepartmental grants and intra-departmental transfers	0	Total amount of all grants to other departments and transfer of funds.
<b>ADJUSTED GROSS APPROPRIATION</b>	<b><del>\$305,955,000</del> \$307,430,000</b>	<b>Total <i>net</i> of all line item appropriations.</b>
Total federal revenues	0	Total federal grant or matchable revenues.
Total local revenues	7,715,700	Total revenues from local units of government.
Total private revenues	800,000	Total private grant revenues.
Total other state restricted revenues	<del>4,000,000</del> 5,000,000	Total revenue dedicated to a specific fund resulting from state mandates or initiatives.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b><del>\$14,426,600</del> \$14,701,600</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 102(7): EMPLOYMENT SERVICE AGENCY (ESA)

*The Employment Service Agency was formed through Executive Order 1997-18, which split the former Michigan Employment Service Agency into two units: the Employment Service Agency, which was maintained by the Michigan Jobs Commission, and the Unemployment Agency, which was transferred by the order to the Department of Consumer and Industry Services. The Employment Service Agency focuses on re-employment of unemployed individuals through activities ranging from job placement assistance to improving job readiness skills or providing additional training.*

Full-time equated classified positions	298.0	Full-time equated (FTE) positions in the state classified service.
Worker's compensation	53,800	Pays premiums to satisfy Department's compensation insurance premium for claims and reserve requirements. Funding Source(s): Federal 53,800
<i>Related Boilerplate Section(s): 202</i>		
Building occupancy charges - property development service	858,100	Manages and fulfills departmental lease obligations for state-owned facilities. Funding Source(s): Federal 858,100
<i>Related Boilerplate Section(s): 202</i>		
Employment service - 246.0 FTE positions	43,798,800	Covers general administration of the state's employment service program. This includes administrative staff, program and technical support staff, and staff delivering employment services through Michigan Works! Service Centers across the state. Funding Source(s): Federal 37,864,900 Local 4,049,100 Restricted 1,884,800
<i>Related Boilerplate Section(s): 202, 205, 209, 211, 310, 311, 325</i>		
Labor market information - 52.0 FTE positions	4,492,900	Covers spending for staff involved in researching and reporting statewide and local labor market information data. Funding Source(s): Federal 4,492,900
<i>Related Boilerplate Section(s): 202, 205, 209, 211</i>		
<b>GROSS APPROPRIATION</b>	<b>\$49,203,600</b>	<b>Total of all line item appropriations.</b>
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$49,203,600</b>	<b>Total net of all line item appropriations.</b>
Total federal revenues	43,269,700	Total federal grant or matchable revenues.
Total local revenues	4,049,100	Total revenues from local units of government.
Total other state restricted revenues	1,884,800	Total revenue dedicated to a specific fund resulting from state mandates of initiatives.

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**GENERAL FUND/  
GENERAL PURPOSE**

**\$0    The state's primary operating fund; the portion of the  
state's General Fund that does not include restricted  
revenues.**

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## SECTION 102(8): INFORMATION TECHNOLOGY

*This appropriation unit provides for all information technology expenditures for the Department. Information Technology (IT) services are provided through the newly-created Department of Information Technology (DIT). Appropriations in this unit are used as payment for these services.*

Information technology services	6,492,700	Consolidates all appropriations for information technology personnel, support staff, and contracts to a separate IT unit. Appropriations will be used to pay for IT services and projects provided through the new DIT, which will provide IT services statewide, billing individual departments for services provided.
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Funding Source(s): Federal 6,492,700

*Related Boilerplate Section(s): 202, 209, 211, 259, 260*

<b>GROSS APPROPRIATION</b>	<b>\$6,492,700</b>	<b>Total of all line item appropriations.</b>
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$6,492,700</b>	<b>Total <i>net</i> of all line item appropriations.</b>
Total federal revenues	6,492,700	Total federal grant or matchable revenues.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 102(9): EARLY RETIREMENT AND BUDGETARY SAVINGS

*This appropriation unit contains negative appropriations that account for expected savings to be generated during FY 2003. The negative appropriations will be applied as reductions to individual line items at a later date. These reductions will be subject to the approval of the House and Senate Appropriations Committees through the legislative transfer process.*

Early retirement savings	(575,300)	Includes a negative GF/GP appropriation to reflect anticipated savings from the state's early retirement program. This represents DMB-estimated early retirement savings. In calculating required savings, the Department is allowed GF/GP funding to replace one of every four early retirees.
		Funding Source(s): GF/GP (575,300)

*Related Boilerplate Section(s): 202, 205, 261*

Budgetary savings	(346,800)	As part of the budget agreement between the Legislature and the Administration, each department and agency is required to absorb budgetary savings equal to 1% of its Executive-recommended GF/GP appropriation. The Department, along with the Department of Management and Budget, will formulate a proposal regarding the allocation of these savings across specific line items.
		Funding Source(s): GF/GP (346,800)

*Related Boilerplate Section(s): 202, 205, 261*

<b>GROSS APPROPRIATION</b>	<b>(\$922,100)</b>	<b>Total of all line item appropriations.</b>
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<b>ADJUSTED GROSS APPROPRIATION</b>	<b>(\$922,100)</b>	<b>Total <i>net</i> of all line item appropriations.</b>
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<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>(\$922,100)</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>
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## SECTION 103: MICHIGAN STRATEGIC FUND

*The Michigan Strategic Fund (MSF) was established by Executive Order (EO) 1999-1, which split the former Department of Michigan Jobs Commission into the MSF and the Department of Career Development. The fund's responsibilities focus on economic development, encouraging activity and economic expansion in Michigan, attracting and retaining businesses in the state, and creating a favorable business climate.*

*The fund's programs will primarily be administered by the Michigan Economic Development Corporation (MEDC), established by an interlocal agreement authorized by the Urban Cooperation Act of 1967 (MCL 124.501) and the Michigan Constitution in Article VII, Section 28. The MEDC represents a partnership between the state and various local units of government that choose to become a partner in the new corporation. Michigan Strategic Fund employees and programs will be managed and administered through the MEDC to allow for state-local collaboration on economic development efforts.*

*The goal of the reorganization is to provide greater flexibility to the state's economic development programs and enhance state-local collaboration. As an example, it has been suggested that the MEDC could facilitate development of flexible partnerships with universities, developers, and other partners to attract high technology firms to Michigan.*

Full-time equated classified positions	231.5	Full-time equated (FTE) positions in the state classified service.
Full-time equated unclassified positions	0.0	Full-time equated (FTE) positions not in the state classified service.
Total full-time equated positions	231.5	Total number of all full-time equated positions (includes classified and unclassified). <i>Note: based on 2,088 hours for 1.0 FTE position</i>
<b>GROSS APPROPRIATION</b>	<b>\$146,181,500</b>	<b>Total of all line item appropriations.</b>
Total interdepartmental grants and intradepartmental transfers	100,000	Total amount of all grants to other departments and transfer of funds.
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$177,946,200</b>	<b>Total net of all line item appropriations.</b>
Total federal revenues	62,934,400	Total federal grant or matchable revenues.
Total local revenues	0	Total revenues from local units of government.
Total private revenues	850,000	Total private grant revenues.
Total other state restricted revenues	50,050,000	Total revenue dedicated to a specific fund resulting from state mandates or initiatives.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$64,111,800</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 103(2): MICHIGAN STRATEGIC FUND

*This appropriation unit contains those programs that work with existing Michigan businesses and communities to retain and expand jobs through business retention visitation programs. Coordination of business assistance services through interdisciplinary account management teams and other economic development services are involved. These programs build partnerships with the local/state/federal economic development agencies and the business community to coordinate and leverage resources and to improve the state's business climate.*

Full-time equated classified positions	231.5	Full-time equated (FTE) positions in the state classified service.
Administration - 40.0 FTE positions	5,228,100	<p>Supports general administration of the agency; includes funding for executive office support staff, financial services, human resources, external relations, office services, strategic initiatives and the MEDC's policy office.</p> <p style="text-align: right;">Funding Source(s): GF/GP 5,228,100</p> <p><i>Related Boilerplate Section(s): 202, 205, 209, 211, 406, 407, 411, 412</i></p>
Job creation services - 191.5 FTE positions	23,818,900	<p>Provides support for MEDC's program areas, which include the following departmental divisions:</p> <p><u>Business Development</u>: International business development, business retention and attraction activities, project management and market research.</p> <p><u>Business Services</u>: Infrastructure programs, including the Community Development Block Grant program; Development Finance Programs, including Michigan Certified Development Corporations and support to the Michigan Economic Growth Authority (MEGA); account management services; Brownfield Development; Site Location Services; Economic Development Job Training; small business outreach, tech zone administration, and Michigan Core Community Administration.</p> <p><u>Emerging Business Services</u>: Life Sciences Corridor Initiative; Business Development to targeted industries (IT, Advanced Manufacturing, Life Sciences); and Business Roundtables.</p> <p><u>e-MEDC</u>: Coordination of information technology and e-business efforts, customer assistance and customer advocacy units, export services, and ombudsman office.</p> <p><u>Travel Michigan</u>: Supports the Michigan Travel Commission in providing travel information and marketing Michigan as a tourism destination, in conjunction with the local tourism partners. Division includes the Michigan Film Office, which promotes Michigan to the film industry.</p> <p><u>Public Affairs</u>: Communications, marketing, events and the Michigan Protocol Office.</p> <p style="text-align: right;">Funding Source(s): IDG 100,900 Federal 2,953,300 Private 853,100 Restricted 50,000 GF/GP 19,861,600</p> <p><i>Related Boilerplate Section(s): 202, 205, 209, 211, 402, 403, 404, 406, 407, 411, 412, 416, 419</i></p>

Michigan promotion program	6,742,500 7,442,500	Promotes Michigan as a vacation destination through marketing campaigns and cooperative agreements with various companies and organizations. Provides for creation and distribution of travel publications providing information on tourism opportunities in the state.  Funding Source(s): GF/GP 7,442,500  <i>\$700,000 is restored due to cigarette tax increase</i> <i>Related Boilerplate Section(s): 202, 209, 211, 405, 406, 407, 412</i>
Economic development job training grants	6,748,000 13,548,000	Provides grants to eligible employers for job and skills training provided by training providers. Grants are for advanced training for existing employees and/or skill training for new workers in firms that strengthen the state's economic base. Boilerplate language in the act provides that at least 70% of all grant funds be provided to community colleges or consortiums which include a community college as the training provider. Appropriation authorizes \$1.0 million to pilot an out-of-state worker recruitment program.  Funding Source(s): GF/GP 13,548,000  <i>\$6,800,000 is restored due to cigarette tax increase</i> <i>Related Boilerplate Section(s): 202, 209, 211, 401, 406, 407, 412</i>
Community development block grants	60,000,000	Federal pass-through grants available to eligible local governments for community development and public infrastructure projects, economic development projects, and housing projects. Projects result in meeting public works needs (water and sewer facilities, roads/bridges, and public facilities) in small communities, creating and/or retaining jobs for specific private firms, and activities for housing rehabilitation. All activities serve to benefit low- and moderate-income people.  Funding Source(s): Federal 60,000,00  <i>Related Boilerplate Section(s): 202, 209, 211, 406, 407</i>
Health and aging research and development initiative	45,000,000	Funded through tobacco settlement proceeds, the program seeks to foster research and development in the life sciences. Appropriated funding will be utilized as follows: <u>50%</u> for a collaborative research fund to support peer-reviewed collaborative grants among Michigan universities and private research facilities. <u>40%</u> for a basic research fund to support competitive grants to Michigan universities or Michigan nonprofit research institutes for health-related research. <u>Up to 10%</u> for a commercial development fund to support commercialization opportunities for life sciences research in Michigan. <u>Not more than 1%</u> to administer the program. Grant distribution will be determined by a Health and Aging Steering Committee.  Funding Source(s): Restricted 45,000,00  <i>Related Boilerplate Section(s): 202, 209, 211, 406, 407, 410</i>
<b>GROSS APPROPRIATION</b>	<b>\$147,537,500</b> <b>\$155,037,500</b>	<b>Total of all line item appropriations.</b>

Total interdepartmental grants and intradepartmental transfers	100,900	Total amount of all grants to other departments and transfer of funds.
<b>ADJUSTED GROSS APPROPRIATION</b>	<del>\$147,436,600</del> \$154,936,600	<b>Total <i>net</i> of all line item appropriations.</b>
Total federal revenues	62,953,300	Total federal grant or matchable revenues.
Total private revenues	853,100	Total private revenues.
Total other state restricted revenues	45,050,000	Total revenue dedicated to a specific fund resulting from state mandates or initiatives.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<del>\$38,580,200</del> \$46,080,200	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 103(3): EARLY RETIREMENT AND BUDGETARY SAVINGS

*This appropriation unit contains negative appropriations that account for expected savings to be generated during FY 2002-03. The negative appropriations will be applied as reductions to individual line items at a later date. These reductions will be subject to the approval of the House and Senate Appropriations Committees through the legislative transfer process.*

Early retirement savings	(895,200)	Includes a negative GF/GP appropriation to reflect anticipated savings from the state's early retirement program. This represents DMB-estimated early retirement savings. In calculating required savings, the Department is allowed GF/GP funding to replace one of every five early retirees. Funding Source(s): GF/GP (895,200)
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*Related Boilerplate Section(s): 202, 205, 261*

Budgetary savings	(460,800)	As part of the budget agreement between the Legislature and the Administration, each department and agency is required to absorb budgetary savings equal to 1% of its Executive-recommended GF/GP appropriation. The MEDC, along with the Department of Management and Budget, will formulate a proposal regarding the allocation of these savings across specific line items. Funding Source(s): GF/GP (460,800)
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*Related Boilerplate Section(s): 202, 205, 261*

<b>GROSS APPROPRIATION</b>	<b>(\$1,356,000)</b>	<b>Total of all line item appropriations.</b>
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<b>ADJUSTED GROSS APPROPRIATION</b>	<b>(\$1,356,000)</b>	<b>Total net of all line item appropriations.</b>
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<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>(\$1,356,000)</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>
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## BOILERPLATE SECTION INFORMATION

***Sec. 201. State Spending from State Resources and Payments to Local Units of Government***

Reviews state spending from state resources and the applicable amount of this spending to be paid to local units of government pursuant to Article IX, Section 30 of the State Constitution.

***Sec. 202. Applicability of Management and Budget Act***

Provides that appropriations in the act are subject to the Management and Budget Act, 1984 PA 31.

***Sec. 203. Definitions***

Defines various acronyms appearing in the act.

***Sec. 204. 1% Civil Service Charge***

Provides that the Department of Civil Service bill departments and agencies at the end of the first quarter for the 1% classified service payroll charge authorized by the Constitution and that payments for the amount billed be made by the end of the second quarter.

***Sec. 205. Hiring Freeze***

Prohibits departments from hiring new full-time state classified civil service employees and from filling vacant state classified civil service positions unless exception to the freeze is granted by the state budget director.

***Sec. 206. Contingency Fund Appropriations***

Appropriates \$23.5 million in federal contingency funds, \$12.2 million in state restricted contingency funds, \$180,800 in local contingency funds, and \$50,000 in private contingency funds which become available for expenditure upon their transfer to another line item through the legislative transfer process.

***Sec. 207. Privatization Plans***

Requires the Department to submit complete a project plan, including evaluation criteria, to the Legislature and fiscal agencies at least 60 days before beginning privatization effort and to complete and submit evaluation findings within 30 months.

***Sec. 208. Internet Reporting Requirements***

Outlines requirements regarding usage of the Internet to fulfill legislative reporting requirements in the act.

***Sec. 209. "Buy American" Requirements***

Prohibits the use of appropriated funds to purchase foreign goods or services if competitively priced and of comparable quality American goods or services are available.

***Sec. 210. Deprived and Depressed Communities***

Requires Department director to take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform state contracts and to encourage contractors to subcontract with certified businesses in deprived and depressed communities.

***Sec. 211. Grants in Non-Grant Appropriation Units***

Requires 72-hour notice to appropriations subcommittees of the announcement of any grant to local governments, higher educational institutions, or non-profit institutions from funds appropriated in units outside the Grants appropriation unit.

***Sec. 212. Affirmative Action Guidelines***

Requires Department to maintain affirmative action programs based on guidelines developed by the State Equal Opportunity Workforce Planning Council.

***Sec. 213. Report Retention***

Requires the Department to receive and retain copies of all reports funded from appropriations in the act in accordance with federal and state short-term and long-term retention guidelines.



**Sec. 259. User Fees for Information Technology**

Provides that appropriation for "Information Technology Services and Projects" be used to pay user fees to new Department of Information Technology (DIT) and that fees be subject to an interagency agreement between Department and DIT.

**Sec. 260. Information Technology Work Projects**

Allows "Information Technology Services and Projects" appropriation to be designated as work project to support technology projects administered by DIT.

**Sec. 261. Early Retirement and Budgetary Savings**

Provides for negative appropriations for "Early Retirement Savings" and "Budgetary Savings." Requires approval of House and Senate Appropriations Committees before adjustments are made to move negative appropriations to individual line items.

**Sec. 262. Appropriations Contingent Upon Cigarette Tax Increase**

Appropriates additional \$1.0 million for "Council of Michigan Foundations, \$250,000 for Focus:HOPE, and \$225,000 for "Adult Education Learning Grants" in the Career Development budget. Similarly, appropriates \$6.8 million for "Economic Development Job Training Grants" and \$700,000 for "Michigan Promotion Program" in the Strategic Fund budget. However, appropriation is contingent upon an increase in the tax on cigarettes under the Tobacco Tax Products Act of 30 cents or more per pack by September 30, 2002. A 50 cents per pack increase was eventually enacted.

**CAREER DEVELOPMENT**

**Sec. 301. Contributions to Michigan Career and Technical Institute (MCTI)**

Allows MCTI to receive equipment and in-kind contributions from the Pine Lake Fund and other local or intermediate school districts.

**Sec. 302. Sources of Matching Funds for Vocational Rehabilitation Programs**

Requires Michigan Rehabilitation Services unit to make every effort to ensure that all possible sources of funds are used to match federal vocational rehabilitation funds.

**Sec. 303. Local Match Requirements for Facilities Establishment Grants**

Provides local match requirement for vocational rehabilitation facilities establishment grants not exceed 21.3% for FY 2002-03.

**Sec. 304. Centers for Independent Living**

Provides for disposition of grant funds to the state's centers for independent living, and reporting to the Legislature from the Michigan Association of Centers for Independent Living on the budgets of each center, savings to taxpayers that result from grants, and program outcomes.

**Sec. 305. Work First Program**

Establishes specific guidelines for administering the Work First program.

**Sec. 306. Work First Data Reporting**

Requires the Department to acquire longitudinal data on Work First participants regarding their employment and salary situation, benefits coverage, job retention, and general welfare.

**Sec. 307. Workforce Development Boards**

Requires local workforce development boards to maintain partnerships with governmental agencies, schools, and colleges located within their service delivery areas. Also provides for the make-up of education advisory groups.

**Sec. 309. Precollege Programs in Engineering and the Sciences**

Establishes allocation of the appropriation for this program between the Detroit and Grand Rapids area programs that participate. Requires reporting to the Legislature on the effectiveness of the grant program.

**Sec. 310. Federal Employment Service Funding**

Automatically appropriates any employment service funding earned from the U.S. Department of Labor in excess of appropriation levels in the budget act upon notification of the appropriation subcommittees.

**Sec. 311. Disabled Veterans Outreach Program**

Requires certain staffing levels for disabled veterans outreach program specialists and local veterans employment representatives to assist veterans within Michigan Works! employment services offices.

**Sec. 312. Volunteer Investment Grants**

Requires the Department to report to the Legislature on the distribution of Volunteer Investment Grants by the Michigan Community Service Commission.

**Sec. 313. Council of Michigan Foundations**

Provides that the tobacco settlement revenue appropriation to the Council be distributed to support local community efforts to address youth and senior health needs.

**Sec. 314. Carry Forward of Pass-Through Funds**

Appropriates and allows the Department to carry forward any federal pass-through funds to local institutions or governments that do not require additional state matching funds.

**Sec. 315. Private Occupational School License Fees**

Establishes that appropriated fees in this category be applied to the administrative costs of the Proprietary Schools Oversight unit.

**Sec. 316. School Fee Fund**

Provides for the carry-forward of any unexpended balance within this fund at the end of the fiscal year.

**Sec. 317. Defaulted Loan Collections**

Appropriates up to \$100,000 in revenue collected on defaulted loans under the Future Faculty Program in the King-Chavez-Parks initiative and provides that this revenue be used to meet the costs of administering loan collections.

**Sec. 318. Employment Outcomes for Future Faculty Program Participants**

Requires each university that participates in the program to provide the Department with certain information on employment outcomes of program participants and requires that the Department report to the Legislature on this data.

**Sec. 319. Adult Education Program**

Establishes legislative intent that at least \$75.0 million in adult education funding be administered through the existing process outlined in the School Aid Act.

**Sec. 320. Medicaid Buy-In Program**

Requires the Department to work with the Department of Community Health to establish a Medicaid buy-in program for the working disabled.

**Sec. 321. Marketing of King-Chavez-Parks Program**

Requires the Department to market the program to parents and students and to report to the Legislature on these marketing efforts. Requires that the program be administered in the same manner as it was formerly when it was contained in the Department of Education.

**Sec. 322. Adult Education Learning Grants**

Allocates the \$225,000 appropriation for this purpose as follows: \$75,000 to the Arab-American and Chaldean Council; \$50,000 to the Arab Community Center for Economic and Social Services; and \$100,000 to Jewish Vocational Services.

**Sec. 325. Assistance to Displaced State Employees**

The Department and the Department of Civil Service are required to identify state employees who will lose their jobs as a result a program reorganization or elimination and to develop and implement training programs to assist these employees.

**Sec. 326. Michigan Works! Service Centers**

Requires that the Department allocate sufficient funds to the centers to allow the centers to remain fully operational.

**Sec. 327. Disability Rights Coalition**

Establishes legislative intent that the Department work with the Disability Rights Coalition to identify all sources of state funding that may be used to match local and federal sources to create a loan program for assistive technology for disabled persons.

**Sec. 328. Michigan Virtual University**

Requires that the Department work with Michigan Virtual University to promote the use of education technology and technology-based training and to support and encourage collaborative efforts among educational institutions and government agencies to meet training needs.

**Sec. 329. Focus:HOPE Reporting**

Requires Focus:HOPE to report to the Subcommittee Chairs and fiscal agencies on its use of funds appropriated in the budget act.

**MICHIGAN STRATEGIC FUND**

**Sec. 401. Economic Development Job Training (EDJT) Grants**

Outlines the process and establishes policies and procedures for the administration of the EDJT grant program.

**Sec. 402. Fees for Travel Information and Materials**

Allows Travel Michigan to collect fees to cover the cost of materials and processing prints, slide, videos, and travel product database information requested by the media and other segments of the public and private sectors.

**Sec. 403. Michigan Strategic Fund Programs**

Requires the Agency to report on all activities, grants, and investment programs financed from Michigan Strategic Fund revenue generated from investment income or gaming revenues.

**Sec. 404. "Michigan. Great Lakes. Great Times." Slogan Revenue**

Allows Travel Michigan to receive and expend private revenue related to the use of this slogan and image. Revenue generated is to be used to market the state as a travel destination.

**Sec. 405. Allocation of Michigan Promotion Program Funds – PARTIAL VETO**

Allocates at least 25% of all program funds for the promotion of cultural tourism opportunities and at least \$25,000 to promote tourism activities in the Northeast region of the state. *The \$25,000 earmark for the Northeast region was subsequently vetoed.*

**Sec. 406. Grant Reporting Requirements**

Requires the Agency to report to the Legislature on the recipient, amount, and purpose of each grant distributed by the agency.

**Sec. 407. Program Reporting Requirements**

Requires the Agency to report to the Legislature on the activities of each program administered by the Michigan Strategic Fund Agency or the Michigan Economic Development Corporation, including details on spending and FTEs employed.

**Sec. 408. Interlocal Agreements**

Provides that any interlocal agreement entered into by the Michigan Economic Development Corporation (MEDC) and a local unit of government contain language providing that, if the local unit has an arrangement with a private economic development corporation, the MEDC will work cooperatively with the private corporation.

**Sec. 409. Land Purchase Provisions**

Prohibits the Michigan Economic Development Corporation from purchasing land or options on land unless the land is in an economically distressed area or the purchase is at the invitation of the local unit of government and economic development corporation. Provides that consideration may be given to purchases where the proposed use is consistent with a regional land use plan, will result in the redevelopment of an economically distressed area, can be supported with existing infrastructure, and will not cause population shifts away from population centers.

**Sec. 410. Health and Aging Research and Development Initiative**

Provides for distribution of this grant appropriation through a 14-member steering committee and allocates up to \$2.5 million for administering the initiative and not less than \$5.0 million to a commercial development fund to support commercialization opportunities evolving from research. Of the remaining funds, 45% is earmarked for basic research and 55% is allocated for collaborative research with an emphasis on testing or developing emerging technologies.

**Sec. 411. Prohibition on Spending for Personal Effects or Apparel**

Prohibits appropriated funds from being spent for premiums or advertising material involving personal effects or apparel.

**Sec. 412. Disposition of Unexpended Funds**

Requires any unexpended and unencumbered funds at the end of the fiscal year to be disposed of in accordance with the Management and Budget Act unless carryforward authorization has otherwise been provided.

**Sec. 413. Michigan Economic Development Corporation**

Provides that the MEDC comply with the Freedom of Information Act and the Open Meetings Act and that the corporation be subject to Auditor General audits and Legislative reporting requirements.

**Sec. 414. Fundraising Activity**

Prohibits Michigan Economic Development Corporation staff involved in fundraising from being party to any decisions regarding awarding grants or tax abatements.

**Sec. 415. Repayments Under the Michigan Core Communities Fund**

Provides that any repayments received from entities receiving Core Communities funding be held and applied for the same purposes.

**Sec. 416. Ethnic Destination Marketing Organizations**

Requires Travel Michigan to coordinate with ethnic marketing organizations to promote ethnic festivals and events in Michigan target markets.

**Sec. 418. Michigan Core Communities Fund – PARTIAL VETO**

Outlines the purposes and authorized uses of the fund, establishes policies and procedures to be used in disseminating grants from the fund, and requires notification of the Legislature by the agency before any grant distribution. *Subsection (11) of this section was vetoed. The section authorized up to \$1.0 million of unexpended and unencumbered funds to be used to support the Capital Access Program.*

**Sec. 419. Port Huron Technical Assistance Center**

Allocates \$25,000 of the appropriation for “Job Creation Services” to this center.



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**December 2002**



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